

MINUTES OF THE  
MAG MANAGEMENT COMMITTEE MEETING  
April 14, 2010  
MAG Office Building - Saguaro Room  
Phoenix, Arizona

MEMBERS ATTENDING

Patrice Kraus for Mark Pentz, Chandler	Darryl Crossman, Litchfield Park
Carl Swenson, Peoria, Vice Chair	Christopher Brady, Mesa
# George Hoffman, Apache Junction	Jim Bacon, Paradise Valley
Charlie McClendon, Avondale	David Cavazos, Phoenix
Scott Lowe for Stephen Cleveland, Buckeye	# John Kross, Queen Creek
* Gary Neiss, Carefree	* Bryan Meyers, Salt River Pima-Maricopa Indian Community
Usama Abujbarah, Cave Creek	Dave Richert, Scottsdale
Spencer Isom for B.J. Cornwall, El Mirage	Michael Celaya for Mark Corona, Surprise
Alfonso Rodriguez for Phil Dorchester, Fort McDowell Yavapai Nation	Jeff Kulaga for Charlie Meyer, Tempe
Julie Ghetti for Rick Davis, Fountain Hills	# Chris Hagen for Reyes Medrano, Tolleson
Rick Buss, Gila Bend	Gary Edwards, Wickenburg
* David White, Gila River Indian Community	Lloyce Robinson, Youngtown
Michelle Gramley for Collin DeWitt, Gilbert	Robert Samour for John Halikowski, ADOT
Brent Stoddard for Ed Beasley, Glendale	Kenny Harris for David Smith, Maricopa County
Mark Gaillard for John Fischbach, Goodyear	David Boggs, Valley Metro/RPTA
Bill Hernandez, Guadalupe	

\* Those members neither present nor represented by proxy.

# Participated by telephone conference call.      + Participated by videoconference call.

1.     Call to Order

The meeting was called to order by Vice Chair Carl Swenson at 12:00 p.m.

2.     Pledge of Allegiance

The Pledge of Allegiance was recited.

Vice Chair Swenson noted that George Hoffman, John Kross, and Chris Hagen were participating in the meeting via teleconference.

Vice Chair Swenson announced that public comment cards were available to members of the public who wish to comment. He noted that parking garage validation and transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting.

Vice Chair Swenson noted the following items at each place: The revised project change table for agenda item #5B; the revised list of TIP projects for agenda item #6B; and a revised Programs in Brief, a copy of the signed MOU for transit planning, a regional funding chart for agenda item #8; an updated list of the mailback response rates to the 2010 Census for agenda item #9; a legislation summary chart for agenda item #10; and the addendum to the agenda (item #14).

3. Call to the Audience

Vice Chair Swenson stated that Call to the Audience provides an opportunity to the public to address the Management Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Vice Chair Swenson noted that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. Public comments have a three minute time limit and there is a timer to help the public with their presentations.

Vice Chair Swenson recognized public comment from Dianne Barker, who noted that she had received a transit ticket for taking the bus to the meeting. Ms. Barker noted that she has been accumulating tickets and is able to give them to people who need them. She recounted a passenger arguing with a public transit driver and after she gave the passenger a transit ticket she informed him that if he had a complaint, it was better to report the problem than to argue with the driver. Ms. Barker stated that she attended the MAG public hearing. She remarked that she is a big supporter of freedom of choice and voice in transportation and she was fine with having different modes of travel and felt they were good for the community. Ms. Barker stated that resources to fund transportation are diminished, however, there are federal funds available for the disabled and we need to re-examine how we apply and use those funds. Vice Chair Swenson thanked Ms. Barker for her comments.

Vice Chair Swenson recognized public comment from Marvin Rochelle, who stated that the Governor taking away the lottery funds is illegal. He advised that Sections 105 and 108 require a public referendum, which she did not do. Mr. Rochelle stated that people are mobilizing to fight this. He stated that there have been threats, but people have to hold together with solidarity for the benefit of transit. Vice Chair Swenson thanked Mr. Rochelle for his comments.

4. Executive Director's Report

Dennis Smith, MAG Executive Director, reported on items of interest in the MAG region. Mr. Smith stated that the meeting of the Sun Corridor Joint Planning Advisory Council is scheduled for April 20, 2010, at Wild Horse Pass Conference Center. He noted that representatives from MAG, CAAG, PAG, CANAMEX, the Arizona Mexico Commission, the Arizona Department of Transportation and Arizona State University were invited to attend. Mr. Smith noted that the Council will discuss the scope of the Global Cities study being conducted by AECOM. He added that AECOM is offering \$300,000 from its foundation for the study, which is expected to be completed in two to three months.

Mr. Smith stated that MAG participated in a teleconference call with the Western High Speed Rail Alliance yesterday regarding plans to apply for a planning grant from the Federal Railroad Administration (FRA). He explained that the FRA is seeking applications for \$115 million in

planning and construction grants for high-speed rail, of which \$50 million is available in high speed rail planning project funds. Mr. Smith noted that there are three competitive grant programs: intercity passenger rail service corridor capital assistance, high speed rail corridor, and congestion grants, and a subcategory where the Federal Railroad Administration will be administering a multistate application. He stated that the Alliance may be submitting an application in that category.

Mr. Smith noted that the Arizona Transportation Operations Executive Summit will be held on May 13, 2010, at the Sheraton Crescent Hotel. He noted that the featured speaker is John Mason, the former mayor of the City of Fairfax, Virginia, and former executive director of the Northern Virginia Transportation Authority. Mr. Smith added that former ADOT Director Victor Mendez will also speak at the meeting. He reported that invitations will be mailed to the Management Committee.

Vice Chair Swenson thanked Mr. Smith for his report. No questions for Mr. Smith were noted.

5. Approval of Consent Agenda

Vice Chair Swenson stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, #5I, and #5J were on the Consent Agenda. He reviewed the public comment guidelines for the Consent Agenda. Vice Chair Swenson noted that no public comment cards had been received.

Vice Chair Swenson asked if any member of the Committee had questions or a request to have a presentation on any Consent Agenda item. None were noted.

Mr. Crossman moved to recommend approval of the Consent Agenda. Mr. Cavazos seconded, and the motion passed unanimously.

5A. Approval of March 10, 2010, Meeting Minutes

The Management Committee, by consent, approved the March 10, 2010, meeting minutes.

5B. Project Changes - Amendments and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program and FY 2010 Arterial Life Cycle Program

The Management Committee, by consent, recommended approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2010 Arterial Life Cycle Program, and as appropriate, to the Regional Transportation Plan - 2007 Update. The FY 2008-2012 Transportation Improvement Program (TIP) and Regional Transportation Plan (RTP) 2007 Update were approved by the MAG Regional Council on July 25, 2007, and the FY 2010 Arterial Life Cycle Program (ALCP) was most recently modified on March 10, 2010. Since that time, there have been requests from member agencies to modify projects in the programs. To move forward with project implementation, a number of changes to the FY 2008-2012 TIP are being requested, affecting highway projects, bicycle/pedestrian projects, arterial street projects, and transit projects. The proposed project changes include amendments and administrative modifications to FY 2008-2012 TIP for highway projects (Table A), amendments and administrative modifications to FY 2008-2012 TIP and FY 2010 ALCP for

arterial street projects (Table B), amendments and administrative modifications to FY 2008-2012 TIP for transit projects (Table C), and administrative modifications to the FY 2010 ALCP (Table D). The Transportation Review Committee recommended approval of the amendments and administrative modifications to the TIP and/or ALCP as presented in Tables A through D. Table E includes a listing of projects proposed for the reallocation of ARRA project bid savings. Table E was developed after the Transportation Review Committee action and is based on information received from MAG member agencies. Table A includes project additions and changes requested by the Arizona Department of Transportation (ADOT) for I-10, I-17, Loop 303, SR-85, and Loop 101, and a change requested by the City of Mesa for a bicycle/pedestrian project on Dobson Road. Table C includes transit project additions and changes for fiscal years 2009 and 2010, which are required to reconcile federal transit funding and establish a zero balance of unprogrammed transit funds in the approved TIP. Table B includes funding modifications for two projects that are in both the FY 2008-2012 TIP and FY 2010 ALCP. The projects include intersection improvements to Chandler Blvd. at Dobson Rd. and arterial capacity improvements to Lake Pleasant Parkway. Table B also includes project two project additions for the City of Peoria to be funded with project savings from two completed projects in the approved ALCP. Table D lists funding modifications solely to the FY 2010 ALCP. These fund modifications listed in Tables B and D follow the guidance established in the ALCP Policies and Procedures and do not negatively impact ALCP reimbursements in FY 2010, nor increase or decrease overall committed regional reimbursement amounts. Table E includes a listing of projects proposed for the reallocation of ARRA project bid savings. Project eligibility is contingent on the ability to obligate in Federal Fiscal Year (FFY) 2010. Before a project can obligate, the project must be listed in approved TIP and be assigned a TRACS number by the Arizona Department of Transportation (ADOT) to initiate the federal review process. The total costs for the projects are noted under "Requested Change" and will be updated in an approved TIP contingent on the availability of federal funds. The project adjustments and new projects being added to the TIP are fiscally constrained and funding is available. The projects to be added or amended have been categorized as exempt from conformity determinations, and the administrative modifications include minor revisions that do not require a conformity determination.

5C. Section 5310 Elderly Individuals and Individuals with Disabilities Transportation Program Priority Listing of Applicants

The Management Committee, by consent, recommended forwarding the priority listing of applicants for the FTA Elderly Individuals and Individuals with Disabilities Transportation Program to the Arizona Department of Transportation. On March 31, 2010, the MAG Federal Transit Administration (FTA) Elderly and Persons with Disabilities Transportation Program Ad Hoc Committee developed a priority listing for the applications received for FTA Section 5310 funding. The FTA provides these funds to the Arizona Department of Transportation (ADOT) for capital assistance to agencies and public bodies that provide transportation services for people who are elderly and for people who have a disability. This year, 17 applications were submitted for capital assistance awards. Twenty-nine van requests and two mobility manager requests were received.

5D. Arterial Life Cycle Program Status Report

A Status Report on the Arterial Life Cycle Program (ALCP) for the period between October 2009 and March 2010 addresses ALCP project work, the remaining Fiscal Year 2010 ALCP schedule, program deadlines, revenues, and finances.

5E. Update to Federal Functional Classification System

The Management Committee, by consent, recommended approval of the proposed updates to the federal functional classification system. The MAG funding suballocation for the MAG region from the American Recovery and Reinvestment Act (ARRA) requires projects to adhere to the requirements established in the Surface Transportation Program (STP). As such, ARRA and/or STP funded projects must be located on a facility that is classified as an urban collector or rural major collector or higher in the federal functional classification hierarchy. MAG has received requests from the City of Peoria and the Town of Buckeye to add three projects to the Federal functional classification system. The City of Peoria is requesting that the Agua Fria truck reliever route from 112th Avenue/Rose Garden Lane to 107th Avenue/Pinnacle Peak Road and Butler Road are classified as Major Collectors. On March 29, 2010, the Transportation Review Committee (TRC) recommended approval of the request. Since the TRC took action, the Town of Buckeye requested that Airport Road from Interstate 10 to Yuma Road be classified as a Rural Minor Arterial. The classification requests are necessary for the ARRA/STP funded projects to proceed.

5F. American Recovery and Reinvestment Act (ARRA) Status Report

A Status Report on the American Recovery and Reinvestment Act (ARRA) funds dedicated to transportation projects in the MAG region details the status of project development. The report covers highway, local, transit, and enhancement projects programmed with ARRA funds and the status of project development milestones per project.

5G. Programming of Bid Savings of Local MPO American Recovery and Reinvestment Act (ARRA) Funds - Technical Amendment

The Management Committee, by consent, recommended approval of an amendment to the guidelines for programming unobligated ARRA Local funds as stated in the attached memorandum. Through the MAG committee process, discussions have been held regarding the anticipated bid savings on obligated Local Metropolitan Planning Organization American Recovery and Reinvestment Act (ARRA) funded projects due to lower project costs. On January 27, 2010, the MAG Regional Council approved the guidelines for programming unobligated ARRA Local funds. The guidelines allow local agencies with the ARRA project bid savings to have local discretion to move the project savings to another existing ARRA project in that jurisdiction; and/or swap the ARRA funds with ADOT-STP funds and move the project savings to an eligible project that is more than \$200,000 and can obligate before September 30, 2010, including new projects. In addition, the guidelines stipulated that any jurisdiction that cannot meet the \$200,000 threshold and obligation deadline of September 30, 2010 would return the project savings to the regional pool for reallocation. Since the approval of the guidelines, the Arizona Department of Transportation notified MAG that all Local ARRA funds must obligate by August

15, 2010. On March 29, 2010, the Transportation Review Committee recommended approval of an amendment to the guidelines for programming unobligated ARRA Local funds.

5H. Transit Allocation Methodology for Proposed Federal Economic Stimulus Legislation - Potential Changes Due to Loss of Local Transportation Assistance Funds

The Management Committee, by consent, recommended approval that transit funds that are required to be under contract within ninety days be allocated toward operations (up to the maximum allowable), ADA operations and ADA preventive maintenance (10 percent), and preventive maintenance by applying the principles outlined by RPTA for project savings from ARRA I funds; and amend the FY 2008- 2012 MAG TIP as appropriate. The methodology by which to allocate any transit funds from a potential second round of stimulus funding has been on the agenda for information, discussion and action during MAG committee meetings. In February 2010, the Transit Committee and Transportation Review Committee recommended approval that any transit funds from a second stimulus bill that are required to be under contract within ninety days be allocated toward operations (up to the maximum allowable), ADA operations and ADA preventive maintenance (10 percent), and preventive maintenance by applying the principles outlined by RPTA for project savings from ARRA I funds; and amend the FY 2008-2012 MAG TIP as appropriate. At the Management Committee meeting on March 10, 2010, it was recommended that given that Local Transportation Assistance Funds (LTAF) would no longer be available to member agencies, this agenda item should go back through the committee process for discussion of any changes, if necessary, to the recommendations in light of the loss of the LTAF. On March 29, 2010, the Transportation Review Committee reaffirmed the use of ARRA II they had previously recommended for approval.

5I. Interim Closeout of the Federal Fiscal Year (FFY) 2010 MAG Federally Funded Program

The Federal Fiscal Year (FFY) 2010 Closeout Process is underway. To defer a project from FFY 2010 to a later year, MAG member agencies must complete and submit a Deferral Notification form, and depending on the number of times previously deferred, submit a justification letter. The deadline to notify MAG of project deferrals is ongoing; however, MAG staff requested that member agencies report project deferrals for a first analysis by April 19, 2010. It was also requested that MAG member agencies submit project requests to utilize these unused FFY 2010 funds. The deadline to submit project requests for closeout was April 19, 2010; late project submittals were not allowed.

5J. Conformity Consultation

On April 6, 2010, the Maricopa Association of Governments distributed a memorandum for consultation on a conformity assessment for an amendment and administrative modification to the FY 2008-2012 MAG Transportation Improvement Program (TIP) and Regional Transportation Plan 2007 Update. The amendment and administrative modification involve several projects, including project additions and changes from the Arizona Department of Transportation on Interstate-10, Interstate-17, Loop 303, State Route 85, and Loop 101, and a change from the City of Mesa to a bicycle/pedestrian project. The amendment and administrative modification also include a series of adjustments to Chandler, Maricopa County, Peoria, and Scottsdale projects affecting the MAG Arterial Life Cycle Program. In addition, the amendment and administrative

modification include project additions and changes for FY 2009 and FY 2010, which are required to reconcile federal transit funding and establish a zero balance of unprogrammed transit funds in the approved TIP. The amendment and administrative modification also include new TIP projects that are potential candidates for ARRA (American Recovery and Reinvestment Act) bid savings funds. Comments on the conformity assessment were requested by April 23, 2010. MAG has reviewed the projects for compliance with the federal conformity rule and has found that consultation is required on the conformity assessment. The amendment includes projects that may be categorized as exempt from conformity determinations. The administrative modification includes minor project revisions that do not require a conformity determination. The conformity finding of the TIP and the associated Regional Transportation Plan 2007 Update, as amended, that was made by the Federal Highway Administration and Federal Transit Administration on March 9, 2010 remains unchanged by this action.

6A. FY 2010 MAG Mid-Phase Public Input Opportunity

Jason Stephens, MAG Public Involvement Planner, provided the Committee with an update of MAG's transportation public involvement efforts for the Mid-Phase in FY 2010. He stated that MAG has an adopted, four-phase public involvement process for transportation planning and programming in the region: the Early Phase, which generally occurs in Early Fall; Mid-Phase, which is the current phase; the Final Phase, which will occur in late summer; and continuous involvement, in which MAG provides input opportunities throughout the year.

Mr. Stephens reported that MAG provided and participated in a number of events during FY 2010. He stated that MAG staff provided presentations, hosted booths, gathered input and distributed information to event goers, and partnered with ADOT, Valley Metro, METRO and the City of Phoenix public transit department. Mr. Stephens stated that the Mid-Phase culminated in a public hearing on March 19, 2010. He said that MAG retained a court reporter who took down comments verbatim. These comments, which received formal staff responses, are part of the Mid-Phase Report. Mr. Stephens displayed a list of the comments and questions received, which were predominately transit focused.

Vice Chair Swenson thanked Mr. Stephens for his report. No questions for Mr. Stephens were noted.

6B. Approval of the Draft FY 2011-2015 MAG Transportation Improvement Program - Listing of Projects for an Air Quality Conformity Analysis

Roger Herzog, MAG Senior Project Manager, reported that the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) requires that MAG have an approved five year Transportation Improvement Program (TIP), which is a guide to transportation investments within the region. Mr. Herzog stated that the TIP includes all federally funded projects, all regionally significant projects (regardless of funding source), provides project detail (design concept and scope) to permit air quality analysis, and is updated at least every four years. He remarked that local projects like residential streets are not in the MAG TIP.

Mr. Herzog stated that the FY 2011-2015 MAG TIP includes more than 1,000 projects. He reported that funding for these projects total approximately \$6.9 billion and includes a variety of

federal, state, regional, and local funding sources. Mr. Herzog stated that street and highway projects represent the largest allocation of funding: approximately \$5.6 billion. He said that transit projects total about \$1.3 billion, and he noted that transit operating costs were not represented in this amount.

Mr. Herzog reviewed the FY 2011-2015 TIP schedule: draft listing of projects (March); Mid-Phase public hearing (March); Transportation Review Committee recommendation (March); Management Committee recommendation (April); Transportation Policy Committee recommendation (April); Regional Council approval (April); Conformity Analysis conducted (May); Final Phase public hearing (June); and TIP consideration for adoption (July).

Vice Chair Swenson thanked Mr. Herzog for his report. He noted that no public comment cards had been turned in. No comments from the Committee were noted.

Mr. Kulaga moved to recommend approval of the Draft FY 2011-2015 MAG Transportation Improvement Program - Listing of Projects for an air quality conformity analysis. Mr. Boggs seconded, and the motion passed unanimously.

6C. Approval of the Draft MAG Regional Transportation Plan - 2010 Update for an Air Quality Conformity Analysis

Mr. Herzog then continued with the next agenda item, which was to consider a recommendation to approve the draft MAG Regional Transportation Plan - 2010 Update for an air quality conformity analysis. He said that the Update includes major modes and other transportation programs. Mr. Herzog stated that major update factors include extending the plan through FY 2031, the reduction in revenue brought about by the recession, and revisions to modal programs.

Mr. Herzog stated that the planning period for the RTP 2010 Update extends the planning period from FY 2011 through FY 2031 to meet the federal requirement of at least 20 years. He said the RTP generally has been divided into five-year phases: Phase I, FY 2006 through FY 2010, describes what has been accomplished; Phase II is FY 2011 through FY 2015; Phase III is FY 2016 through FY 2020; Phase IV is FY 2021 through FY 2025; and Phase V is FY 2026 through FY 2031.

Mr. Herzog stated that a variety of financial resources are devoted to implementing the RTP. He indicated that major sources include federal, state and countywide revenues dedicated to the MAG region. Mr. Herzog explained that a total of \$58.8 billion in funding was reported in the RTP and listed in year-of-expenditure dollars. Mr. Herzog reported \$29.3 billion in local/other funds and \$29.5 billion in regional funds had been identified in the RTP. He explained that regional funds comprised MAG federal highway funds (\$3 billion), MAG federal transit funds (\$3.1 billion), half-cent sales tax funds (\$15.7 billion), and ADOT funds (\$7.6 billion). Mr. Herzog displayed a chart of the lower revenue projections for the 2010 Update and noted that the half cent sales tax forecast has decreased by approximately 25 percent and ADOT funds by about 12 percent from the 2007 Update.

Mr. Herzog discussed the major modal programs addressed in the RTP. He reported that revisions to the highway/freeway, arterial, and transit life cycle programs had been required due to lower



revenue projections. He stated the adjustments to the life cycle programs were discussed extensively and conducted cooperatively between MAG, METRO, RPTA and the regional member agencies. He announced that currently all life cycle programs were fiscally balanced. Mr. Herzog displayed a series of maps indicating the phasing of projects in the life cycle programs. Mr. Herzog noted that three freeway projects (I-10/Loop 101-HOV ramps, I-17/Loop 101-HOV ramps, and I-10/SR-51 to 32nd Street local/express lanes) and two bus routes (Litchfield Road Supergrid and Chandler Boulevard LINK), were moved into the illustrative projects category. In addition, he stated that leading up to Regional Council consideration of the RTP for a conformity analysis, the freeway cost/revenue cash flow was being analyzed and there may be some adjustments to project phases to meet cash flow requirements, with no effects on overall corridor priorities. Mr. Herzog noted that the approval schedule for the 2010 Update follows the same schedule as that for the TIP.

Mr. Herzog stated the item was on the agenda for action to recommend approval of the Draft MAG Regional Transportation Plan - 2010 Update for an air quality conformity analysis.

Vice Chair Swenson thanked Mr. Herzog for his report. He noted that no public comment cards had been received. No questions from the Committee were noted.

Mr. Cavazos moved to recommend approval of the Draft MAG Regional Transportation Plan - 2010 Update for an air quality conformity analysis. Mr. Buss seconded, and the motion passed, with Mr. Stoddard voting no.

#### 14. Public Private Partnership Program

This agenda item was taken out of order.

Eric Anderson, MAG Transportation Director, stated that a new state law that improves the opportunities for public private partnerships (PPP) for transportation projects was enacted last year. He reported that since then, the Arizona Department of Transportation (ADOT) has been busy putting in place the policies to govern the PPPs. Mr. Anderson stated that the Transportation Policy Committee and Regional Council will discuss policy on PPPs at their April meetings to provide guidance to staff. He stated that \$6 billion in highway projects have been delayed due to the economic situation and it is incumbent upon leadership to provide options that can provide good transportation service to the region. Mr. Anderson introduced Gail Lewis, Director of the PPP office at ADOT.

Ms. Lewis stated that the declines in the vehicle license and gas tax revenue and sweeps by the Legislature and the movement toward more efficient vehicles, public transit and more moderately priced vehicles impact resources for transportation. She remarked that PPPs are one more tool in the toolbox to address the long term questions and she stated that they are a way to transfer the risks of funding, construction, financing or operational costs to a private player.

Ms. Lewis noted that there is the potential for significant opposition to PPPs, and the public opposes selling public assets and having toll roads. She added that there is also the fear that the money will all be spent on consultants and none will be left for construction. Ms. Lewis mentioned that many people do not understand or know about toll roads or remember when they

had to slow down on a turnpike in New Jersey to throw money into a container. She stated that the trucking companies are opposed to toll roads and they have visited ADOT on several occasions to express their concerns.

Ms. Lewis reported that ADOT has started developing guiding principles to address these concerns: Develop a national program based on best practices; create an open and transparent process; integrate the PPP into the state transportation plan; use PPPs to leverage public dollars (not as a way to get the private sector to pay for everything); do PPPs that are financially viable over the long term; and do PPP projects that enhance mobility and improve safety. Ms. Lewis stated that there are two things that have stopped projects in other states: the lack of financial long term viability and the opposition of political leaders.

Ms. Lewis stated that ADOT has been working on PPPs since the law went into effect in September 2009. She reviewed the highlights of the law: Any new or upgraded transportation facilities are eligible as PPP projects; existing assets cannot be sold; transit, maintenance, rail, and highway projects qualify; repayment is flexible and a number of financial mechanisms can be used, such as tolls, Grant Anticipation Notes, and state revenue. Ms. Lewis stated that this is a complex way of doing business and is different from the manner in which highways are usually built.

Ms. Lewis informed the Committee that ADOT hired Wilbur Smith Consulting to help lay the initial groundwork of the program. She indicated that the firm has helped ADOT to articulate its basic vision, principles, and initial guidelines and developed the project website. Ms. Lewis stated that ADOT also has hired HDR, Inc. and Jacobs as long term project managers. She advised that ADOT is currently evaluating requests for proposals for financial and legal advisors and would prefer to have a team familiar with the program in place. Ms. Lewis stated that they potentially are looking for a technical expert, a tolling revenue consultant, and a public involvement consultant.

Ms. Lewis stated that ADOT is looking for opportunities for alternatives to fund rest areas and maintenance. She advised that dollars for maintenance are in short supply and they are looking at creative ways to use PPPs for this, in addition to using PPPs on highway and transit projects.

Ms. Lewis explained the organizational chart of the PPP office, which in addition to ADOT staff, includes the outside consultants, stakeholders, an advisory committee, the State Transportation Board, and a steering committee. Ms. Lewis noted that ADOT envisions that the seven-to-fifteen member advisory committee would be appointed by the ADOT Director, and would advise the agency on processes and specific projects, and facilitate the transparency she mentioned earlier. She said that the advisory committee would most certainly include representatives from MAG and PAG because they will be the most impacted, and also representatives from the other COGs and MPOs and people with outside expertise.

Ms. Lewis stated that the law allows both solicited and unsolicited proposals. She said that ideas from the private sector and entities are welcome and when conceptual ideas are presented, ADOT will sit down and discuss the unsolicited proposal with the affected region. She indicated that ADOT will charge a fee to the consultant for the cost of reviewing unsolicited proposals.

Ms. Lewis stated that the first step in the PPP process is for ADOT's consultants to review the projects contained the State Transportation Improvement Plan and Transportation Improvement Plans, etc., and see which projects could be likely candidates for PPPs, which would eventually go out for procurement. She explained the website, which is now live, and pointed out that interested persons can sign up to be on the stakeholders list to receive blast emails.

Ms. Lewis said that they have only one chance to do this right and a hundred chances to do this wrong. She commented that there are many places the private sector can use their money and she expressed ADOT's concern for losing the private funds that could have come into this state if they get a reputation for doing it wrong. Ms. Lewis remarked that contrary to some people's beliefs, PPPs are not the entire answer to transportation problems; they are just one more tool in the toolbox.

Vice Chair Swenson thanked Ms. Lewis for her report and asked members if they had any questions.

Mr. Rodriguez asked about interaction with tribal communities. Ms. Lewis replied that ADOT's offer of transparency with MAG included the tribal communities. She added that ADOT is more than happy to address the tribal councils or groups at any time, and is making a special effort to include the tribes at meetings.

Dennis Smith asked for clarification of the process where the State Transportation Board would be the ultimate agency to place projects in a transportation improvement program. Ms. Lewis replied that the Board would be the ultimate agency for placing projects on the Statewide Transportation Improvement Program. Mr. Smith commented that projects would come up through the TIP and RTP which are done in cooperation with ADOT.

7. Exceptional Events and Data Collection in the Vicinity of the West 43rd Avenue Monitor

Lindy Bauer, MAG Environmental Division Director, reported that the Environmental Protection Agency (EPA) has been reviewing the Arizona Department of Environmental Quality (ADEQ) exceptional events documentation and has questioned four high wind exceedances that occurred at the West 43rd Avenue monitor in 2008. She noted that exceptional events are circumstances beyond our control, such as dust storms, high winds, and fires. Ms. Bauer advised that if EPA does not concur with the exceptional events, these four exceedances would count as a violation at the West 43rd Avenue monitor and the region would not have its first year of clean data at the monitors. Ms. Bauer remarked that the consultant (Sierra Research) and MAG staff have been providing support to ADEQ regarding the exceptional events documentation.

Ms. Bauer stated that MAG submitted the Five Percent Plan for PM-10 to the EPA two years ago. She explained that a five percent reduction per year was required until the standard was attained. Ms. Bauer noted that clean data at the monitors for 2008, 2009 and 2010 were needed for EPA to say the standard was attained. Ms. Bauer advised that EPA still has not taken action on the Plan, which they were supposed to do by June 30, 2009. She said that the Center for Law in the Public Interest filed a lawsuit in December 2009 that asked the court to force the EPA to take action. Ms. Bauer added that EPA is currently in negotiations with the Center and the timeline

is uncertain. She informed the Committee that the WildEarth Guardians recently filed a notice of intent to file a lawsuit against EPA for the same reasons as the Center.

Ms. Bauer stated that any EPA disapproval of the Plan, whole or in part, could trigger sanctions: the loss of federal funds, a federal implementation plan, tighter controls of industry, and puts the \$7 billion MAG TIP at risk for a conformity lapse.

Ms. Bauer stated that MAG closely tracks the monitoring data and ADEQ assured MAG it was in great shape because of the exceptional events. Ms. Bauer added that there have been no exceedances at the monitors in 2010. She explained that EPA's concern about the four exceedance days centers around the concentrations at the West 43rd Avenue monitor that are higher than the concentration at two other nearby monitors that are downwind.

Ms. Bauer then addressed the work done to prove to EPA these are exceptional events. She said MAG staff believe that surface roughness is a major contributing factor and she displayed a map that represented the winds coming from the west and southwest direction to the West 43rd Avenue monitor, which is the point where all the wind lines converge on the map. She said that on high wind days the winds travel over very smooth terrain, picking up dust particles. The winds then hit the West 43rd Avenue monitor at high speed – lots of dust and lots of concentration. When the winds are past the West 43rd Avenue monitor, they encounter the urbanized area that contains buildings, which slow down the wind, the particles drop out, and by the time they reach the other two monitors downwind the concentrations are lower.

Ms. Bauer then displayed the next map that showed the friction velocity, which is the wind speed at which dust particles become airborne. She advised that wind at only 13 miles per hour in a river terrain can pick up dust, and they feel this is a very important factor.

Ms. Bauer stated that they next had to prove to the EPA that the high winds were unusual for this area. She indicated that they plotted wind speeds and PM-10 concentrations and found that when the wind increases so do the PM-10 concentrations. She said that the next step was to prove historically that the high winds were unusual. The consultant analyzed 1,078 wind observations and found that the winds at the West 43rd Avenue monitor were in the 99.7 percentile, which are unusually high winds. Ms. Bauer stated that staff feel that these factors are strong support that these are exceptional events.

Ms. Bauer stated that MAG is undertaking data collection in the vicinity of the West 43rd Avenue monitor. She explained that this is a cooperative effort with ADEQ, ASU, EPA, and the Maricopa County Air Quality Department. Ms. Bauer stated that the study will identify sources contributing to elevated PM-10 levels at the West 43rd Avenue monitor under windy conditions, including nearby sources, unique soil conditions, and transport from outside the area. Ms. Bauer expressed that staff think that the study will also assist with future exceptional events documentation.

Ms. Bauer stated that the study will include five temporary monitors, aerosol samplers that collect data quickly, digital cameras, and a soil sampling component. She pointed out the locations of the five temporary monitors, the West 43rd Avenue monitor, and the back wind trajectories on a map. Ms. Bauer noted that the study will look at the concentrations in between the temporary

monitors. They should be able to determine the cause of the increases by the completion of the study anticipated that is anticipated in July 2010.

Ms. Bauer stated that the City of Phoenix Rio Salado Oeste Environmental Restoration Project holds a lot of promise as a permanent long-term solution for stabilization of the Salt River area where the West 43rd Avenue monitor is located. She described the Rio Salado project as a 1,400 acre, environmental restoration project that includes flood control improvements and wildlife habitat. Ms. Bauer stated that the City received the 404 permit in December 2009, and the City is seeking funding for the project. She showed a map of the project and noted that the West 43rd Avenue monitor is close to where they will be digging the low flow channel to reach the water. When completed it holds a great deal of promise.

Vice Chair Swenson thanked Ms. Bauer for her report. No questions from the Committee were noted.

8. Discussion and Update on the Draft FY 2011 MAG Unified Planning Work Program and Annual Budget

Dennis Smith began the presentation by saying that each January the development of the MAG Work Program and Annual Budget begins, with approval anticipated in May. Mr. Smith noted that MAG is not like other MPOs; it has a half cent sales tax for transportation that has generated a little more than \$5 billion since 1985. He added that when an MPO makes this significant a contribution to the highway system and now to the highway and transit systems, it changes the relationship with the DOT.

Mr. Smith referenced the presentations relevant to the five year TIP given by Ms. Bauer and Mr. Herzog. He commented that \$6.9 billion is lot to risk and if the TIP does not have conformity, the projects in the TIP cannot be built. Mr. Smith commented that MAG does not need that lawsuit and what is protecting MAG is the staff working on this. Mr. Smith remarked that MAG staff is extremely specialized; MAG does the socioeconomic, travel demand, emissions, and air quality photo-chemical grid modeling. He explained that in some areas the modeling is broken out among agencies, and only about five MPOs do air quality photo-chemical grid modeling.

Mr. Smith stated that ten percent of MAG staff have PhDs. He noted that the air quality engineers are doing differential equations, which are saving the day. He reported that the North Central Texas Council of Governments represents an area with 6.6 million population and has 331 total staff, 154 in transportation alone. Mr. Smith stated that the San Diego Council of Governments represents an area of 3.2 million in population and has 195 full time employees, 17 limited term employees and 34 temps, for a total of 246 staff. He stated that the MAG region represents four million people and has 80 full time employees and seven interns, and is requesting six more staff for a total of 86 staff members. Mr. Smith stated that MAG has highly specialized staff and uses consultants, for which MAG is appreciative of the support by member agencies for approving their services.

Mr. Smith stated that in January, the Executive Committee directed that a compensation study be conducted and Private Sector Consultants was hired. He said that the results of the study showed that MAG salaries trailed the market and since then, some of the salaries have been adjusted using

salary savings. Mr. Smith stated that the Executive Committee also asked for his recommendation and he responded by recommending that five percent be the total amount budgeted for salary increases, which would be based on performance evaluations. Mr. Smith commented that MAG understands that the cities have been in desperate straits for the past two years and has done what it can to lessen the burden, such as decreasing the MAG dues by 50 percent for last year and this year for a total of \$696,526, and assuming \$213,408 for the 2010 Census media costs using federal funds.

Mr. Smith stated that MAG strives to save members agencies money in other ways. He noted that the Specifications and Details Committee informed MAG that each agency purchases a subscription to the American Society for Testing Materials for a construction standards database. He reported that MAG's intent is to include \$30,000 in the FY 2011 Work Program to purchase this subscription that member agencies will be able to access and they will not have to purchase a subscription.

Mr. Smith stated that MAG is funded primarily by federal funds and state and regional sales tax, which represent 94 percent of MAG's budget. He said that MAG staff has empathy for the financial situation of the cities, but MAG is funded differently than the cities. Mr. Smith reported that the process for the American Reinvestment and Recovery Act funds has increased the workload significantly this past year. He indicated that the Work Program will be presented to the federal agencies for their review and any changes they request will be reported to the Management Committee in May.

Mr. Smith then introduced Becky Kimbrough, MAG Fiscal Services Manager, who continued the presentation. Ms. Kimbrough reported on the draft Programs in Brief at each place and she said that since the March meeting a couple of revisions have been made to the proposed projects. She noted that the changes include the purchase of a freight database for \$200,000 and adding \$30,000 to the Regional Community Network (RCN) Operations project.

Ms. Kimbrough stated that MAG began discussing its office space needs at the Executive Committee in 2005, and subsequently, a building committee was established to work on creating additional office space for MAG through a regional office center project, which eventually was deferred. Ms. Kimbrough stated that since then, the City of Phoenix advised MAG that 7,800 square feet of space were available on the first floor of this building, which MAG then leased in January 2009.

Ms. Kimbrough said that the City of Phoenix has informed MAG that the fourth floor of this building should be partially available beginning July 2010. She stated that MAG staff is proposing in the draft budget to lease the fourth floor space to make it all staff offices. Ms. Kimbrough stated that the staff occupying the second floor would move to the fourth floor and the second floor would become meeting space. She added that the copy center would remain on the second floor. Ms. Kimbrough advised that the estimated cost for the reconfiguration, maintenance and tenant improvements is about \$2.6 million, which includes all additional videoconference equipment for the meeting space, office furniture, wiring, design, and installation.

Ms. Kimbrough stated that MAG is requesting additional staff positions for FY 2011: four positions related to the growing needs in database and modeling work, a manager for the Regional Community Network Program for the last four months of the fiscal year, and a meeting room support position at mid-year for the second floor, which is based on the renovation.

Ms. Kimbrough stated that the fully executed Transit Planning Agreement (MOU) by MAG, RPTA, METRO, and the City of Phoenix Transit Department has been added to the Work Program Appendix and a copy was at each place.

Ms. Kimbrough stated that the annual Intermodal Planning Group meeting is scheduled for April 29, 2010, and is a review of the MAG Work Program by the federal agencies and related agencies to assist in MAG meeting federal and state requirements.

Vice Chair Swenson thanked Mr. Smith and Ms. Kimbrough for their reports and asked members if they had questions.

Mr. Crossman asked for clarification of the employee positions and numbered columns on pages A-16 and A-17. Ms. Kimbrough replied that the numbers represent a task, for example, 100 designates Environmental Division tasks, 200 designates Specifications and Details, 600 represents Transportation Division tasks, and so on. She added that the percentage numbers in those columns correspond to an employee position and designate the amount of time they estimate the employee will spend on that task.

Vice Chair Swenson confirmed with Mr. Smith that action on the Work Program was anticipated in May. Mr. Smith replied that was correct.

9. 2010 Census Update

Kelly Taft, MAG Communications Manager, provided an update on 2010 Census outreach efforts. She said that the Census form was sent on March 15 to 135 million addresses in the United States and asks how many people were staying at an address on April 1, 2010.

Ms. Taft stated that in Arizona, more than \$8 billion in federal funding and an additional \$1 billion in state shared revenue is distributed by population. She explained that MAG estimates that every person counted in Arizona equates to about \$1,550 each year for the next ten years, and for this reason, any undercount is a concern. Ms. Taft advised that Arizona could gain a ninth seat in Congress following the 2010 Census. She noted that one of the key messages has been to focus on what the census means to communities, to individuals, and to families who rely on municipal services to improve their quality of life.

Ms. Taft stated that MAG's role in the census effort has been to serve as the liaison between the Census Bureau and member agencies, by assisting with technical geography programs and communication and outreach. She stated that the Count to 10 Census Outreach Group developed materials, shared best practices, discussed communication strategies, and pooled resources.

Ms. Taft reported that the Regional Council approved the use of MAG federal planning funds to help defray the cost of regional advertising buys, and the cities provided more than \$200,000 for

a regional campaign. She reviewed the regional media buy, which includes ads broadcast on television and radio stations and ads printed in 14 community newspapers. Ms. Taft noted that the media buy included targeting hard-to-count populations through minority publications and television and radio. She noted that value-added media opportunities totaled more than \$377,000 for the general media buy and \$86,000 for the minority media buy.

Ms. Taft indicated that a key message conveyed through the advertising is that the Census is safe: the Census Bureau safeguards all census responses to the highest security standards available, and personal census information is not shared with any other government agency or organization under penalty of law. Ms. Taft stated that census enumerators who will make visits to residences will present an ID badge that contains a Department of Commerce watermark and expiration date, and if asked, will provide residents with supervisor contact information and the local census office phone number for verification. Ms. Taft stated that census taker will only ask the questions that appear on the census form if he or she is working on the 2010 Census, however, the exception is that census workers do collect data other than the 2010 Census through monthly surveys. She advised that census takers will not ask for Social Security Numbers, bank account or credit card numbers, solicit donations, make contact via email, or ask to come into a house.

Ms. Taft stated that for those residences who did not return their forms, a census representative could telephone or visit their home as many as six times to complete the questionnaire. She said that if the resident still does not respond, the census taker may ask neighbors about who is residing there. Ms. Taft noted that approximately \$85 million in taxpayer dollars are saved for each one percent increase in mail response, and she said that the mailback response target is 75 percent.

Ms. Taft stated that it is a challenge to reach some people, such as homeless people, winter visitors who are here on April 1 and reside here more than six months out of the year, or immigrants (legal or illegal). She added that no citizenship questions are asked by the census. Ms. Taft noted that another concern is the high number of foreclosures in Maricopa County, and finding out where people who moved out of foreclosed homes are staying.

Al Macias, Regional Partnership Specialist with the U.S. Census Bureau, continued the presentation. He first expressed his appreciation to the cities and towns for their support. Mr. Macias addressed recent issues, such as concerns over questions asking about ethnicity and race. He said that the form is a self-identifying form and the opportunity is provided to fill in "other" when asked about race. Mr. Macias stated that another issue is winter visitors. He said many people right now are in transition from their winter home in Arizona and their summer home elsewhere, and he noted that the key factor is where a person resides the majority of the year.

Mr. Macias then described the new tool that is available on the Census 2010 website that allows viewers to go into specific tracts to see mailback response rates by area and by year. Mr. Macias stated that the group quarters count has been completed and the program is now moving into the non-responsive followup phase. He noted that areas with a large number of post office box addresses will see more census takers. Mr. Macias explained that due to their large number of winter visitors, Apache Junction and Carefree are doing beta testing with the non-responsive followup, and some issues are being worked out in Gila Bend because there was misunderstanding that the Town's addresses are all post office boxes. Mr. Macias reported that he has been working with the City of Phoenix on three tracts to increase their response rates. Mr. Macias gave the



response rates to date: Maricopa County, 65 percent; Pima County, 66 percent; City of Phoenix, 62 percent; City of Tucson, 64 percent; U.S., 67 percent; Arizona, 63 percent; and Sun City 90 percent.

Mr. Macias then reviewed the timeline of key activities for Census 2010. He noted that from April to August, followup interviews will be conducted when clarification to the census forms returned is needed; from May to July, a non response follow up will be conducted by census workers who will conduct a personal interview at housing units that did not return a completed questionnaire; in December the Census Bureau will deliver apportionment counts to the president that will include state populations and the number of seats apportioned to each state in the U.S. House of Representatives; Counts will be delivered to states in April 2011.

Vice Chair Swenson thanked Ms. Taft and Mr. Macias for their presentation and asked members if they had questions.

Mr. Isom commended Mr. Macias for his availability to the City of El Mirage.

Mr. Bacon asked Mr. Macias to expand on winter visitors. Mr. Macias stated that winter visitors pose a unique challenge. He said that they are headed back to their summer homes and the hope was that they would be counted here. Mr. Macias said that the forms are self identifying and they were told to fill out it out where they felt was their home. He said that already they are doing a non-responsive followup in Carefree and Apache Junction because those who are permanent residents of those jurisdictions are leaving for the summer, and so as not to lose them, they are doing beta testing. Mr. Macias noted that Surprise, Fountain Hills, Mesa and Paradise Valley have the same situation. He stated that another challenge is winter visitors from the Dakotas, Montana, and Nebraska. Even though they live here for seven months of the year, they consider those states their homes, and all staff can do is ask them to make an honest effort.

#### 10. Legislative Update

Patty Camacho, MAG Senior Policy Planner, provided an update on legislative issues of interest. She began her report with federal legislation by saying that the Local Jobs for America Act was developed by mayors, county officials and others throughout the country to provide \$75 billion over two years to local communities to hold off planned cuts or to hire back workers for local services who have been laid-off because of tight budgets. Ms. Camacho stated that it also includes another \$25 billion to support a quarter of a million jobs in education, local law enforcement jobs and to hire or retain fire fighters. Representative George Miller of California sponsored the legislation and the bill is currently in the Education and Labor Committee, which he chairs.

Ms. Camacho stated that the Local Jobs funds would be distributed by the U.S. Department of Labor, with 30 percent going to the states for distribution to smaller communities and 70 percent going directly to localities with at least 50,000 population. She said that the Department of Labor would allocate funds under a formula based on population, to ensure that more low-income communities and those facing higher unemployment are helped directly. Ms. Camacho stated that because state and local governments that faced severe fiscal strains in 2009 expect even worse shortfalls in 2010 and 2011, up to 50 percent of the funds can be used to retain workers in jobs

that would otherwise be eliminated due to budget cuts. She noted that the bill would not only help protect these jobs, but it would allow local governments to maintain and expand some services. Ms. Camacho stated that MAG will continue to monitor the legislation.

Ms. Camacho then reported on state legislation. She stated that the Regional Public Transportation Authority legislation, which was originally Senate Bill 1416, needed a “strike everything” bill due to the timing of the legislative process. Ms. Camacho stated that Representative Biggs agreed to sponsor the bill and place it as a strike-all amendment to Senate Bill 1063, the bison legislation. Ms. Camacho stated that the House Transportation and Infrastructure Committee unanimously passed the bill on April 8, 2010, and staff is currently working with House staff on a floor amendment because not all of the changes had been made. She noted that a working group is assisting house staff and MAG distributed a fact sheet to the House Committee to show what had been agreed upon.

Vice Chair Swenson thanked Ms. Camacho for her report. No questions from the Committee were noted.

11. Request for Future Agenda Items

Topics or issues of interest that the Management Committee would like to have considered for discussion at a future meeting will be requested.

No requests from the Committee were noted.

12. Comments from the Committee

An opportunity will be provided for Management Committee members to present a brief summary of current events. The Management Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

No comments from the Committee were noted.

13. Adjournment

Mr. Crossman moved to adjourn, Mr. Buss seconded, and the motion passed unanimously. The meeting adjourned at 1:30 p.m.

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Chair

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Secretary